# Institutionalizing Programs in the Presidential Commission for the Urban Poor for Functional Shelter Policies

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With the author's eight (8) years experience on the presidential visits, she learned that when functional policies are adopted it will provide an opportunity to build *social inclusion and cohesion* and attain economic growth. (*Social inclusion and cohesion and cohesion by the way* is also one of the sub-themes of the World Urban Forum III.)

With the more concerted focus on the affected persons' and enjoining them to be part of the solutions to their problems and by considering that no one is more knowledgeable of their predicament. Building partnership with them and paying attention on what they need and what needs to change in policies by using assessment tolls and providing framework on monitoring and social preparations are very important in the attainment of poverty alleviation. Further, conflict management is strongly advocated through the use of the Alternative Dispute Resolution (ADR).

Hence, this paper will present the programs that can be institutionalized in PCUP. Through the proposed programs it is the opinion of the author that functional policies will then be recommended.

### 1. Shelter Situation Analysis

### 1.1 Basic General Data

### **Geography and History**

The Philippines is located in the Southeast Asia which comprises of 7,107 islands with a total land area of approximately 300,000 square kilometres (116,000 square miles). Manila is the capital city.

The country reflects diverse indigenous Autronesian cultures from its many islands, as well as European and American influence from Spain, Latin America and United States. The Philippines was colonized by Spain and United States.

### **Politics and Government:**

### Philippines: A strong advocate of the democratic form of Government and a champion of peaceful "People Power Revolution"

The Philippines has a presidential-unitary from of government, bicameral congress which composed of upper and lower houses. The upper house is the Senate whose 24 members are elected nationally to a six-year term and the lower house or house of representatives are elected to a three (3) year term from legislative districts and through sectoral representative. The judiciary is composed of the supreme court, court of appeals, the regional trial courts and the metropolitan trial courts.<sup>1</sup>

### Administrative Divisions, Demography, Economy and Poverty

Philippines is the world's 12<sup>th</sup> most populous country, with a population of eighty eight (88) million. This growth was observed at an average of 2.36% in the last eight (8) years. The country is divided into seventeen (17) regions, eighty one (81) provinces, one hundred eighteen cities (118), one thousand five hundred ten (1,510) municipalities and forty-one thousand nine hundred ninety four (41,994) barangays. Roughly two-thirds resides on the island of Luzon. The city's capital is the 11<sup>th</sup> most populous metropolitan areas in the world.<sup>2</sup>

<sup>&</sup>lt;sup>1</sup> Constitution of the Republic of the Philippines,

<sup>&</sup>lt;sup>2</sup> Based on Philippines Official Data, as cited in NSCB's Philippine Poverty Statistics, 2000 p2

| Region                          | Total Population | Percentage | Region                 | <b>Total Population</b> | Percentage |
|---------------------------------|------------------|------------|------------------------|-------------------------|------------|
| Philippines                     | 76,504,077       | 100.00     |                        |                         |            |
| National Capital Region         | 9,932,560        | 12.98      | VII - Central Visayas  | 5,706,953               | 7.46       |
| Cordillera Autonomous<br>Region | 1,365,412        | 1.78       | VIII - Eastern Visayas | 3,610,355               | 4.72       |
| I – Ilocos                      | 4,200,478        | 5.49       | IX - Western Mindanao  | 3,091,208               | 4.04       |
| II - Cagayan Valley             | 2,813,159        | 3.68       | X - Northern Mindanao  | 2,747,585               | 3.59       |
| III - Central Luzon             | 8,030,945        | 10.50      | XI - Southern Mindanao | 5,189,335               | 6.78       |
| IV – Southern Tagalog           | 11,793,655       | 15.42      | XII - Central Mindanao | 2,598,210               | 3.40       |
| V – Bicol                       | 4,686,669        | 6.13       | XIII - CARAGA          | 2,095,367               | 2.74       |
| VI – Western Visayas            | 6,211,038        | 8.12       | ARMM                   | 2,412,159               | 3.15       |

Table A. Population Distribution by Region: 2000

Source: NSO, Various Censuses of Population and Housing

In 2003, the daily occurrence of birth was four thousand five hundred seventy four (4,574) or one hundred ninety (190) babies born every hour or three (3) babies per minute.3 Life expectancy is 69.9 years, with 72.3 years for females and 66.4 years for males. However, mortality rate of children below age 5 per 1000 birth fell to 33 in 2005 from 63 in 2004.

Rural population continues to migrate to urban areas in search for better economic opportunities. Urbanization rate was at an average of 4.82% per annum within the last four decades, reaching 48.05% of the total population in the year 2000.4

| GNP                          | Q4 2006    | P 1,856.0 Billion |
|------------------------------|------------|-------------------|
| Gross Domestic Product (GDP) | Q4 2006    | P 1,693.6 Billion |
| Inflation Rate               | May 2007   | 2.4 %             |
| Balance of Trade             | March 2007 | \$-119 Million    |
| Exports                      | April 2007 | \$4.114 Billion   |
| Imports                      | March 2007 | \$4.567 Billion   |
| Unemployment                 | April 2007 | 7.4%              |
| Underemployment              | April 2007 | 18.9%             |
| Average Family Income        | 2003       | P 147,888.00      |
| 0.014 0                      |            |                   |

Table B: Poverty Assessment

Source: NSO

<sup>&</sup>lt;sup>3</sup> <u>National Statistics Office</u>, Special Release No.207, August 16, 2006

<sup>&</sup>lt;sup>4</sup> National Statistics Office, <u>www.CENSUS.gov.ph</u> Accessed July 25, 2007

Table C: National Government Outstanding Debt

| Particular  | January   | February  | March     | April     | June      | October   | November  |
|-------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Actual Debt | 3,871,992 | 3,896,629 | 3,931,264 | 3,900,326 | 3,782,249 | 3,798,352 | 3,751,195 |
| Domestic    | 2,141,894 | 2,164,964 | 2,177,788 | 2,177,788 | 2,118,861 | 2,209,217 | 2,181,537 |
| Foreign     | 1,730,098 | 1,731,665 | 1,753,476 | 1,718,842 | 1,663,388 | 1,589,135 | 1,569,659 |
| Guaranteed  | 563,317   | 561,363   | 557,193   | 545,859   | 527,085   | 437,859   | 499,398   |
| Debt        |           |           |           |           |           |           |           |
| Forex Rate  | 48.950    | 48.400    | 48.200    | 47.45     | 46.35     | 43.85     | 42.85     |

CY 2007 (in Million Pesos)

Source: DMAD-BTr , Prepared by: SDAD-BTr / h:homepage\sdad\webdata\SddsDebt07

The annual budget for 2007 is P1.126 Trillion which is a premise on total revenue of P1.118 Trillion resulting on a deficit of P63Billion. The annual budget is appropriated as follows: 28.3% Debt Services, 28.1% Social Services, 21.8% Economics, 16.2% General Public Services, 4.8% Defense, included is the P10B repair of storm-damaged areas.<sup>5</sup> However, in November 2007 the government's budget deficit for ten (10) months has reached to P41.58 Billion.<sup>6</sup>

### 1.2 Shelter Related Fact and Figures

#### Access to Shelter

According to the report of the Housing Urban Development Coordinating Council (HUDCC) there is a need to construct 3.7 million housing units by 2010 to attain the target of 1.2 million units per year. The target is subdivided into socialized and low cost housing with a target of 880,000 units and 320,000units, respectively. This is in accordance with the Medium Term Philippine Development Plan (MTPDP). However, the housing assistance or shelter security units (i.e., a house, house and lot, or lot only), the housing sector provides, through the National Shelter Program, was only 882,823 shelter security units or an accomplishment rate of 73.6 percent as of June 2004. Despite the housing backlog, there are 200,000 unoccupied units as a result of ill decision of the former administration which can be called "white elephant".

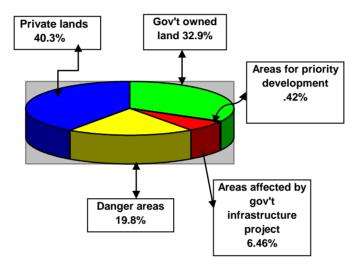
There are 195,475 informal settlers benefited from the 107 Presidential Proclamation translating 26,367.14 hectares of land nationwide. These areas are being disposed to actual occupants for socialized housing. However, most of them

<sup>&</sup>lt;sup>5</sup> Lira Delangin-Fernandez, 22 March 2007

<sup>&</sup>lt;sup>6</sup> China View, 11 November 2007

just hold on with the certificate of land allocation (CELA), a temporary instrument, to attest that they are qualified beneficiaries. Only few received their Transfer Certificate of Title (TCT) signifying their absolute ownership over the property.

The total estimated number of informal settlers nationwide is more or less 1,408,492 and based on the information given by the Metro Manila Development Authority (MMDA) the total number of informal settler families living in Metro Manila is 554,609 or about 21% of the 13 million resident families in Metro Manila. These informal settler families are broken down in accordance to the following settlement they are illegally occupying:



Different housing developmental strategies where conceptualized by the Metro Manila Inter-agency Committee (MMIAC). This is headed by the MMDA Chairperson being co-chaired by NHA while the PCUP, HUDCC, Office of the President on Religious Affairs, religious groups and affected families are members. The strategies conceptualized are the on- site development, medium rise housing, off-site resettlement, off-site private or formal housing through the Pag-ibig or private developers, and other shelter related institutions such as the "workers' inn", transient homes, temporary shelters and institutional home care. Appropriating funds for the first three (3) mentioned strategies would entail an annual funding requirement of **P13.75B**. Further, should the funding requirement be released a total of 305 units per day or 30,859 units per year will be produced over a trajectory period of ten (10) years. Compared to its predecessors, the Arroyo administration is host to the most number of foreign-funded NCR infrastructure projects that involve the relocation of 37,150 affected informal settler families at the right-of way of Philippine National Railways (PNR).<sup>7</sup> The biggest number and budget requirements belong to the National Northrail and Southrail projects, each entail P1.2 Billion and P1.9 Billion, respectively.<sup>8</sup>

|                                 | Household | Household Beneficiaries |        |         |  |
|---------------------------------|-----------|-------------------------|--------|---------|--|
| Program                         | 2001      | 2002                    | 2003   | Total:  |  |
| HUDCC Asset Reform Program      | 133,900   | 68,820                  | 1,000  | 203,720 |  |
| NHA Housing Programs            | 47,771    | 25,356                  | 15,205 | 88,332  |  |
| NHMFC CM P                      | 28,474    | 19,529                  | 11,453 | 59,456  |  |
| NGC East and West Project       | 8,739     | 2,049                   | 410    | 11,198  |  |
| North and South Rail Relocation | -         | 7,350                   | 3,250  | 10,600  |  |
| GK                              | 1,000     | 1,032                   | 2,963  | 4,995   |  |
| Habitat for Humanity            | 1,878     | 1,087                   | 1,019  | 3,984   |  |
| TOTAL:                          | 221,762   | 125,223                 | 35,309 | 382,285 |  |

Table D: Program for Slum Dwellers

Source: HUDCC

### **1.3 Housing Policy**

### **Policy Goal: Right to Housing**

The Philippine law from a Roman and Anglo-American legal tradition emphasize provisions of benefits or subsidies to the poor and vulnerable sectors of the society. The past and present constitution and statutory mandates promotes social protection which include the major element: social assistance. The right to housing is a policy under this element which also elucidates the essence of "just and humane evictions" and the provision of resettlement to the poor. From the framing of the first organic law, the 1935 Philippine Constitution, it insures the well-being and economic security of the common people. Apart from its commitment to the right to housing as a State Party to various international conventions since 1946, signing the Universal Declaration of Human Rights, the Philippines has likewise recognized aspects of the same rights in the following mandates:

<sup>&</sup>lt;sup>7</sup>Cynthia Arce, Urban Informality in the Philippines p. 46

<sup>&</sup>lt;sup>8</sup> ODA Terminal Report, 2004

- ✓ 1977, Letter of Instruction No. 557 integrated a policy of slum improvement into the national housing policy;
- ✓ 1978, Presidential Decree 1517, Proclamation No. 1810 clarified that areas identified as project for development under the slum upgrading programs shall become the urban land reform zones;
- ✓ 1980, Proclamation No. 1967 specified 244 site in Metro Manila as areas for priority development (APDs) and urban land reform zones;
- ✓ 1984, the provision on the National Economy and the patrimony of the Nation in the 1973 Constitution were amended to include, inter alia, the following:

The State shall moreover undertake an urban land reform and social housing program to provide deserving landless, homeless or inadequate sheltered low income resident citizens reasonable opportunity to acquire land and decent housing consistent with Section 2 of Article IV of the Constitution of 1973.<sup>9</sup>

The 1987 Constitution expanded the above provision by incorporating an entire article devoted to Social Justice and Human Rights. The provisions on Urban Land Reform and Housing proclaim that:

The State shall, by law, and for the common good, undertake, in cooperation with the private sector, a continuing program of urban land reform and housing which will make available at affordable cost decent housing an d basic services to underprivileged and homeless citizens in urban centers and resettlement areas. It shall also promote adequate employment opportunities to such citizens. In the implementation of such program the State shall respect the rights of small property owners. <sup>10</sup>

Urban or rural poor dwellers shall not be evicted nor their dwellings demolished, except in accordance with law and in just and humane manner 11

The provisions of the Constitution were given statutory "teeth" with the enactment of the Republic Act. 7279 otherwise known as "The Urban Development and Housing Act of 1992 (UDHA)". Likewise, UDHA has two (2) major components:

<sup>&</sup>lt;sup>9</sup> 1973 Philippine Constitution, art.XIV sec. 12

<sup>&</sup>lt;sup>10</sup> Philippine Constitution art. XIII, sec. 9

<sup>&</sup>lt;sup>11</sup> Philippine Constitution art. XIII, sec. 10

- 1. affordable housing for the underprivileged / homeless citizens
- 2. protection against forcible evictions

And while the law has imposed eight requirements that must be complied with during evictions, these only apply to evictions of persons from structures built before the effectivity of the law – March 28, 1992. Thus a significant number of poor persons are in fact legally subject to forcible eviction, without the protection of law. UDHA, though a good beginning, is still woefully inadequate in terms of providing the necessary rights-based framework with which to approach the issue of housing.<sup>12</sup>

### 1.4 Shelter Design



Philippine shelter design is guided by the following: National Building Code, Structural Code, Electrical Code, Sanitary Code and Fire Code. Local zoning regulations and ordinances are also considered. Batas Pambansa (National Law) 220 defines guidelines for socializing housing program of the government. Some of the pertinent requirements of this law is to allocate a minimum lot size of 32 square meter with a floor area of 18 to 24 square meter. The common design of this plot with a height of 2.4 meters, has 1 toilet and bath, kitchen and open space to be used as sala, dinning area or family common area during the daytime and bedroom during the night time.

Mezzanine can be built for an additional bedroom. Considering the limited functional space of the house, it is also mandatory to build recreational center and community facilities within the community.

<sup>&</sup>lt;sup>12</sup> AKBAYAN HOUSING FLATFORM

These codes do not only ensure the safety of the inhabitants but as well as financial position of the end users. With less financial possibilities the architecture and available construction materials are more visible in the design of the houses. Citing for example the communities in the northern part of the Philippines named Isabela where the houses are made of narra wood. Narra wood is the hardest type of wood in the country and most expensive. The inhabitants can use solid narra wood in the construction of their houses because of its predominance.

At the rural areas of the Philippines, wooden planks, board, bamboo and straw are the basic materials for the traditional houses. These materials can be derived from their natural environment. The urban areas normally use cements, sand, corrugated roofs/galvanize, hollow blocks as the major construction materials. The use of other technology less expensive technologies like pre-fabricated steel frames from New Zealand and the indigenous concrete inter locking blocks (CIB) for constructing houses for the poor are some of the innovations being introduced by Habitat Philippines.



Volunteer friendly Steel frames boards are being screwed

Len Alanzalon and Rosie Mancile's project in Malabon, City. The houses were constructed on a filled-up idle fish pond.

Getting the CIB from the molder



Concrete inter-locking block House in Baseco Medium Rise Building (MRB) in Taguig City

In addition, high end housing with aesthetic architectural design and imported construction materials are also notable nationwide. Imported construction materials specially for finishing are displayed largely at the Home Depot in major cities of the metropolis.

### 1.5 Actors in Shelter Delivery and their Roles

The *Housing and Urban Development Coordinating Council* (HUDCC), created thru Executive Order No. 90, on 17 December 1986, is the highest policy making and coordinating office on shelter. It is an umbrella organization which consists of heads of five (5) housing agencies, these are:

- National Housing Authority (NHA) which is the sole government agency engaged in direct shelter production focused on providing housing assistance to the lowest 30% income bracket.
- Home Guaranty Corporation (HGC) mobilizes all necessary resources to broaden the capital base for the effective delivery of housing.
- Housing and Land Use Regulatory Board (HLURB) is the sole regulatory body for housing and land development. This corporation is also responsible for crafting the Land Use Planning Guidelines which serves as a direction for the cities and municipalities to formulate their own Comprehensive Land Use Plan (CLUP);
- National Home Mortgage Finance Corporation (NHMFC) and the it new addition, the Social Housing Finance Corporation (SHFC), where the initial main function is to operate a viable home mortgage market, utilizing longterm funds principally provided by the Social Security System (SSS), the Government Service Insurance System (GSIS), and the Home Development Mutual Fund (HDMF) to purchase mortgages originated by both public and

private institutions. Corollary, the heads of these three (3) funding institutions are included.

Government Support Groups in Shelter Delivery:

- The Department of Environment and Natural Resources (DENR) though a non- shelter government agency takes a great deal in the delivery of housing. The relevant function is to grant the environmental clearance certificate (ECC) to minimum of 1 hectare public lands for subdivision and housing development.
- The Local Government Units are also directed through the Local Government Code and the UDHA to provide socialize housing projects for their poor constituents.

#### The Non-Government Organizations

There are two (2) non-government organizations which are most active partners in the shelter delivery and these are:

- Habitat Philippines is a Non-Government Organization (NGO) and an affiliate of Habitat for Humanity. Habitat Philippines promote both the use indigenous materials in constructing socialized housing project as well as pre fabricated steals. Its main objective is to provide shelter to poor family on cost efficient, decent architectural design while promoting sweat equity method of self-help system. It begun in Metro Manila in 1988 and now one of the largest Habitat for Humanity promoter in Asia - Pacific Region.
- Gawad Kalinga or GK (give care) is a local Non-Government Organization (NGO) which aims to give chance to the poorest of the poor to rise above hopelessness and helplessness by giving land to the landless and home to the homeless. Further, it provides total community development program and not just a housing program.

Both the Habitat Philippines and the GK is geared toward poverty alleviation by providing decent shelter and the end goal is to help reduce housing backlog. Their program includes sweat equity, fund sourcing worldwide, volunteerism, livelihood, health, sanitation and environment preservation. The difference between these two (2) NGO's is the imposition of fiduciary responsibility in the provision of houses for the poor. Part of Habitat Philippines advocacy is the house for a house program. This requires amortizing housing units on an

affordable amount over the period of ten (10) years with sweat equity of 400 to 600 man-hours. For GK, the slogan "Bahay ko gawin mo, Bahay mo gawin ko" (I will build your house, You will build my house) each beneficiary has to contribute 200 days or 1,600 man-hours without requiring amortization.

### 2.0 The Presidential Commission for the Urban



### (PCDP)

There are also other links to the housing sector and the relevant mandate to will be the discussed on this chapter. This is the agency where the author belongs. For better understanding a brief history of the agency is included.

#### Brief History and its' Mandate

The influx of migrants from rural areas to urban areas in the 1960's, more particularly in the capital city, worsen the already worse situation of the urban poor. The fear of ejectment and violence haunted them as they struggle to have a place in the society. With the proclamation of Martial Law in the 70's the poor are marked to be criminals and being prosecuted for settling informally either on a private or government lots. With the advent of the People's Power Revolution under the then President Corazon Aguino, these informal settlers whose battle cry is : No Squatter On His Own Mother Land! marched to Malacanan for the moratorium of eviction and demolition of their structures. It was then that the Presidential Arm on Urban Poor Affairs (PAUPA) was created on 10 April 1986.

Subsequently, this was changed to Presidential Committee for the Urban Poor (PCUP) as a result of National Consultation Workshop by the two major urban poor alliance on 30 May to 2 June 1986. For few months of existence it was again changed to Presidential Council for the Urban Poor and finally, on 8 December 1986, the Presidential Commission for the Urban Poor (PCUP) was created by virtue of an Executive Order 82. The mandate is to serve as a link of the urban poor to the government in policy formulation and program

implementation addressed to their need. The substance of this mandate is for social cohesion or participation of the urban poor in all affairs of the government affecting them. Some relevant functions are the following:

- to review existing legislations, policies and programs of the government relating to the urban poor, in consultation with the latter, and recommend appropriate actions thereon to the President;
- to evaluate post and on-going shelter-related projects of the government in squatter and resettlement areas in consultation with beneficiary communities, and recommend appropriate actions thereon to the President;
- to plan and monitor programs and projects for the development of urban poor communities in coordination with agencies involved;
- to request the assistance of any ministry, bureau, office or agencies in the performance of its functions;
- to perform such other functions as may be authorized by the President of the Philippines.

This gigantic mandate is being delivered by a total manpower of 170 who operates nationwide with only P54M appropriation annually.



PCUP co-hosted the Shelter Design& Development in the Philippines in Oct . .2007. In white shirts are Johnny Astrand &Berryl from TAO Filipina



Aneth Wong, Usec. Chavez & the participants



Len Alanzalon & Admin Alice Diaz giving some trivias

### 3. Shelter Problem

The preceding data on housing discussed the magnitude of housing problems in the Philippines. Noticeably, the shelter problems are multi-dimensional in nature. It embroils social, economic and political aspects integrated with absence of functional policy. It was stated by the HUDCC official that the demand for adequate housing and secure land tenure of the poor has remained to a great extent, *unsatisfied*. The rising cost of urban land and housing prices amidst income poverty has made shelter simply not affordable to the poor.<sup>13</sup>

The lack of decent housing and the reality of people living in squatter areas is something all too familiar to the Filipino people. For Metro Manila alone, there are about 554,609 informal families who are living at the danger areas, areas with government priority projects, government lands, private land and areas for priority development. Out of the total number of informal families, 107,997 are living in the dehumanizing and danger areas like estero, shoreline, sidewalk or under the bridge. Similar during the Martial Law days, these informal families are haunted by fear and violence in their every day survival come a day that the MMDA will clear the water or road ways they are settling. The MMDA are defiance of the "just and humane manner of demolition" discussed under Sec. 28 of UDHA. They stand firm that these families are considered nuisance. A nuisance is any act, omission, establishment, business, condition of property, or anything else which among others:

# 1. Obstructs or interferes with free passage of any public highway or street, or any body of water; or

The seeming contradiction of the law gives rise to the violation of social rights. Though demolition of the poor's structures at the danger zones are permissible under the law but the right to its protective requirements should be followed, which consist of: adequate consultation, adequate relocation and mandatory procedures.

Likewise, instances that resettlement sites are available, the relocatees are being rejected by the recipient LGUs for fear of additional responsibility for social services and escalation of crimes due to economic displacement

Another intriguing problems being faced by the 195,475 family beneficiaries of the 107 proclaimed areas are the unclear guidelines in the disposition procedures and

<sup>&</sup>lt;sup>13</sup> Speech delivered by Lucille Ortille, Sec. General, HUDCC at the Cities Alliance Forum, 2007 Manila

the land valuation methods. The current system of land valuation depends on the purpose, such as: real property taxation, compensation of expropriated lands, under Agrarian Reform which can be the Department of Agrarian Reform (DAR) or Land Bank, valuation by private sector for purposes of bank lending, insurance, purchase or sale or real properties and valuation by the court. The complexities brought about by these laws and institutional arrangements result in highly inefficient system plague by inaccuracies and uncertainties14

On the economic aspect, the National strategy of the government in past 20 years focused on the debt payment. For the budget appropriated in 2007, amounting to P1.126 Trillion, 28% goes to debt services. In November 2007, the budget deficit reached to 41.58 B. With these data, there seems nothing left to be invested for social services, human capital and infrastructure. Thus, housing backlog is likely to stay for long period of time.

### 3 Analysis of Shelter Problems

### Issue on conflicting laws

R. A. 386 Art. 694 and R. A. 7279 Sec. 28, is a clear example of inconsistency and conflicting laws which affects the provision of shelter for the poor. Conflicting laws are left to the court for court to decide, but it results to additional court docket backlogs, time consuming and expensive. The use of **Alternative Dispute Resolution** (**ADR**), between the disputing demolition proponents and the affected families is the best alternative.

Issue on insufficient allocation and readiness

of the LGU to accept relocatees

The housing backlog is so surmountable that the government with its existing policies and financial capability cannot satisfy the complicated issues of housing. The National Government outstanding debt on actual and guaranteed debt amounting to P3,751,195M and P499,398M, respectively. Though the outstanding debt is decreasing, this amount is still huge. The government prioritized the provision of

<sup>&</sup>lt;sup>14</sup>World Bank, Involuntary Resettlement Safeguards for Development Projects in the Philippines: Policy Framework, Approaches and Practices

shelters to those who will be affected by government infra projects. The fund allocated is only P4B annually which is being released to NHA. This includes house and lot or lot only. The provision of social services became a problem to the recipient LGU.

#### Issue on Land Valuation

There are 19 government agencies involved in land valuation with fragmented and overlapping functions. They give multiple land valuation standards. Thus, there is bill filed in Congress which attempt to harmonize and amend the existing laws. It underwent tedious process and unlikely to pass the approval of the congress.

### 4. Proposal for Change and Improvement

#### Conflict brought about by the conflicting laws

The conflicting laws may cause conflict and which will result to the undue delay of government housing projects. Likewise, it may also the cause the escalation of violence among the disputants. It is the opinion of the author that these matters can be mediated. The adoption of the ADR as a method is hereby recommended in confronting conflicts and coming up with best possible resolution to the issues of the disputing parties ( ie. project proponents and the affected families) in lieu of court litigation. The following are being undertaken to institutionalize ADR in PCUP:

- a. conflict mapping
- b. securing commission en-banc resolution adopting the use of ADR as means of conflict resolution
- c. identification of the ADR team through the conduct of tool kit or survey
- d. fund sourcing which includes submission of budget proposal and lobbying to the Department of Budget and Management (DBM).
- e. training and capacity building of the ADR team
- f. conduct of workshop among the trained ADR team
- g. formulating operational flow chart
- h. identification of eight (8) pilot sites for mediation

The institutionalization of the Alternative Dispute Resolution (ADR) in managing conflicts, which as of this writing, is at the implementing stage for the eight (8) identified pilot sites. The author is the PCUP's national coordinator for this proposed

program. She underwent an indepth training from the Conflict Resolution Group Foundation, Inc. (CORE) which earned her a title of ADR Specialist from the Office of the President. The module used in this training is from Harvard University, USA. And the fund entrusted to her for 3-month operation is P1Million as lobbied to the DBM Secretary in August 2007 and to the Executive Secretary on 28 December 2007 for its immediate release. And the aforementioned amount will be included in PCUP's annual appropriation starting 2009. The identified and trained ADR team which composed of 16 staff and officers is the implementing arm of this program nationwide. Enclosed is the organizational flow chart for better illustration. (Annex B). In May 2008, the author will spearhead the assessment and evaluation of the activities done at the pilot sites will be assessed and evaluated.

Insufficient Allocation and the readiness of the LGU to accept relocatees The national budget for housing is not commensurate to the actual housing needs, thus, a lobby to the Congress for an additional funding was initiated by PCUP. One of the Congressman from the capital city named: Amado Bagatsing authored the billed based on the **recommendation of PCUP**. The bill which will give an additional P6B housing budget annually is now on its first reading. Also, an additional of P4B will be released to the housing agencies. This was directed by the President during the National Economic Development Authority (NEDA) cabinet meeting on 27 January 2008 as lobbied by the **MMIAC**. The fund will take care the relocation of those families who will be displaced from the danger areas.

The transfer of IRA from the sending local governments to the receiving local governments is perceived to gain cold reaction from the sending local governments. Thus, the data on monitoring by conducting community dialogue among the affected families at the relocation sites will support this policy advocacy. The NCR operations group is task to do the said monitoring activity. All consolidated data will be submitted to the author for her review and for discussion to the legal department of PCUP for the drafting of an Executive Order (E.O.) The draft EO will be forwarded to the ES office for the consideration of the president. The objective of this policy advocacy is to provide appropriate incentives to the receiving LGUs who accept relocatees for social services.

Related to the above mentioned issue, there are also sub-issue that the author would like to discuss is the prioritization of families given the limited allocation of fund for shelter. The following are the policies being recommended by PCUP being a member of the local government inter-agency committee and as an agency mandated to lead the social preparatory activities on relocation.

a. Mandatory registration of all potential beneficiaries;

This aims to focus shelter assistance to the poorest of the poor and offer private shelter options to the income groups. This will not over burden the social services budget of the government.

b. Conduct of socio-economic profiling of all the pockets of urban poor;
There should be proper targeting of potential beneficiaries for government or
NGO housing projects. The pockets of urban poor are usually mixed crowds.
Some are economically well off and some are indeed hand to mouth.

c. Accurate profiling of the beneficiaries with ID system;

A fool proof list will minimize the activities of professional squatters and squatting syndicates. This will collaborate proper targeting.

The policy advocacy on the prioritization of families can also be attained through PCUP's monitoring and social preparatory activities. Annex C is the conceptual framework of monitoring and social preparations initiative which is the second program to be institutionalized in PCUP. This conceptual framework had been presented by the author to the MMIAC in February 2008 for their information and the budget proposal for it's implementation will be submitted to DBM for 2009 budget appropriation.

#### Land Valuation

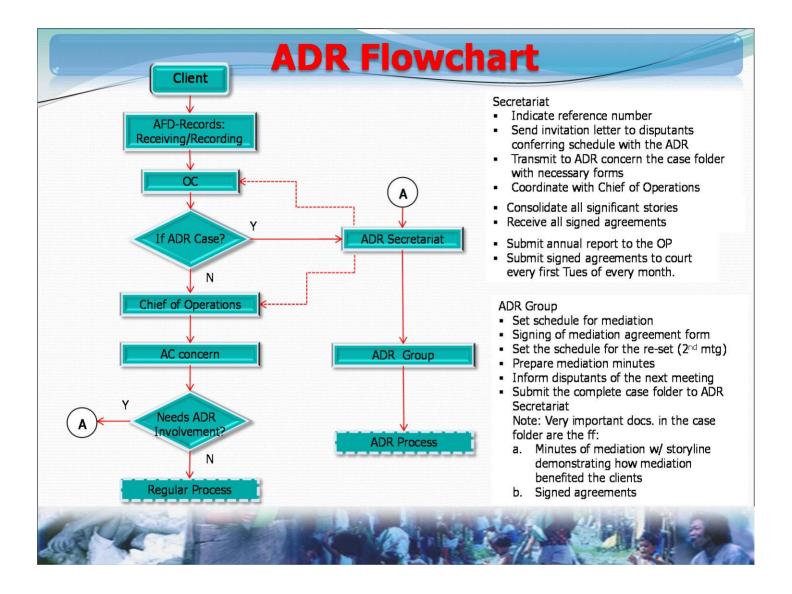
Asian Development Bank's Technical Assistance (TA) 4686, a joint undertaking with HUDCC, on Harmonization and Aid Effectiveness with sub-component Land Acquisition and Resettlement (LAR) has focused its study on **land valuation** of the 107 Presidential Proclaimed Areas. The technical working group (TWG) is being headed by the Undersecretary of the PCUP and **the author of this paper is one of the members of the TWG** together with the housing agency officers-enablers. The TWG has come up with the road map, methodology and a communication plan on standard land valuation for Socialized Housing Sites. The full implementation of

said output will somehow give direction to the disposition of 107 presidential proclaimed areas. The highlight of the study is the use of affordability method in the valuation method in determining the land value of government land proclaimed as socialize housing sites. This formula is proposed in consideration of the **capacity to pay of the poor beneficiaries** which has been adopted as the primary benchmark and the second is market value of the government land. The **training manual** is enclosed as an integral part of the land valuation proposal. (**Annex A in pdf**)

## Annex B

Structural Framework in the Institutionalization of the Alternative

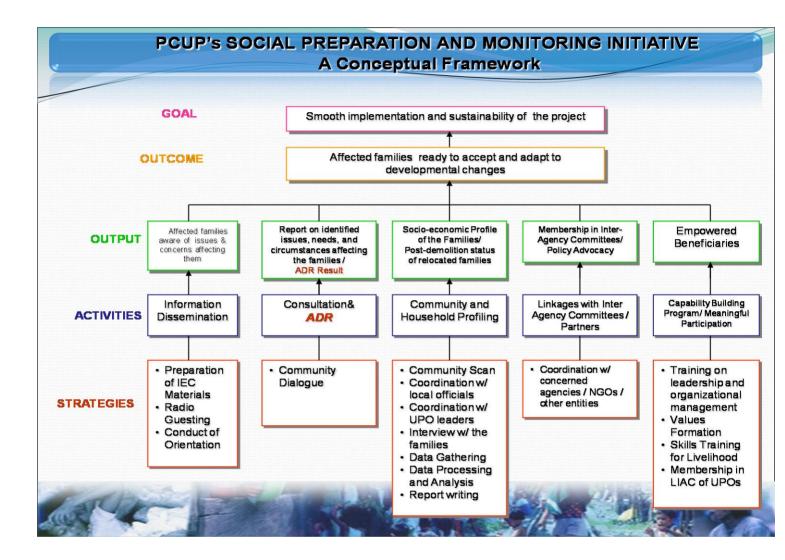
Dispute Resolution (ADR ) in PCUP



## Annex C

Conceptual Framework of Social Preparation and Monitoring

Initiative



## References:

Constitution of the Republic of the Philippines NSCB Philippine Poverty Statistics, 2000 p2 National Statistics Office, Special Release No. 207, August 16, 2006 National Statistics Office, <u>www.CENSUS.gov.ph</u> Accessed July 25, 2007 Lira Delangin Fernandez, Philippine Inquirer, March 22, 2007 China View, November 11, 2007 Cynthia Arce, Urban Informality in the Philippines p46 ODA Terminal Report, 2004 AKBAYAN Housing Platform Sec. Gen. Lucille Ortille, speech delivered at the Cities Alliance Forum 2007 World Bank, Involuntary Resettlement Safeguards for Development Projects

# List of acronyms:

| ADR   | -Alternative Dispute Resolution                     |
|-------|---|
| APD   | -Area for Priority Development                      |
| CELA  | -Certificate of Land Allocation                     |
| CIB   | -Concrete Inter-locking Block                       |
| CMP   | -Community Mortgage Program                         |
| CORE  | -Conflict Resolution Group Foundation, Inc.         |
| DAR   | -Department of Agrarian Reform                      |
| DBM   | -Department of Budget and Management                |
| DENR  | -Department of Environment and Natural Resources    |
| DMO   | -Development Management Officier                    |
| ECC   | -Environment Clearance Certificate                  |
| E.O.  | -Executive Order                                    |
| GK    | -Gawad Kalinga (Give Care)                          |
| GSIS  | -Government Social Insurance System                 |
| HGC   | -Home Guarantee Corporation                         |
| HLURB | -Housing and Land Use Regulatory Board              |
| HUDCC | -Housing and Urban Development Coordinating Council |
| ID    | -identification                                     |
| IRA   | -Internal Revenue Allotment                         |
| LAR   | -Land Acquisition and Development                   |
| LGU   | -Local Government Unit                              |
| MMDA  | -Metro Manila Development Authority                 |
| MMIAC | -Metro Manila Inter-Agency Committee                |
| MTPDP | -Medium Term Philippine Development Plan            |
| NCR   | -National Capital Region                            |
| NEDA  | -National Economic and Development Authority        |
| NHA   | -National Housing Authority                         |
| NHMFC | -National Home Mortgage Finance Corporation         |
| NGO   | -Non-Government Organization                        |
| PAUPA | -Presidential Arm on Urban Poor Affairs             |
| PCUP  | -Presidential Commission for the Urban Poor         |
| PNR   | -Philippine National Railways                       |
| R.A.  | -Republic Act                                       |
| SHFC  | -Social Housing Finance Corporation                 |
| SSS   | -Social Security System                             |
| TA    | -Technical Assistance                               |
| TCT   | -Transfer Certificate Title                         |
| TWG   | -Technical Working Group                            |
| UDHA  | -Urban Development Housing Act                      |
|       |   |